

INSURANCE REGULATORY TRUST FUND

State Investment Board Balance Sheet As of 6/30/2007

	As of <u>6-30-07</u>	As of <u>6-30-06</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 786,238	\$ 737,757
INTERNATIONAL EQUITIES	400,626	362,007
DOMESTIC FIXED INCOME	1,384,721	1,293,147
INVESTED CASH (NOTE 1)	<u>1,405,192</u>	<u>1,290,511</u>
TOTAL INVESTMENTS	3,976,777	3,683,422
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	7,507	8,628
MISCELLANEOUS RECEIVABLE	<u>3</u>	<u>4</u>
TOTAL RECEIVABLES	7,510	8,632
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	362,606	509,583
OPERATING CASH	<u>95</u>	<u>73</u>
TOTAL ASSETS	<u>\$ 4,346,988</u>	<u>\$ 4,201,710</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	362,606	509,583
ACCOUNTS PAYABLE	13	7
ACCRUED EXPENSES	22	16
INVESTMENT EXPENSE PAYABLE	<u>2,119</u>	<u>1,573</u>
TOTAL LIABILITIES	364,760	511,179
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	3,690,531	2,978,091
RESTATED AMOUNT	0	(5)
CASH IN DURING YEAR (NOTE 3)	2,600,000	2,300,000
CASH OUT DURING YEAR (NOTE 4)	2,550,000	1,700,000
NET INCREASE (DECREASE)	<u>241,697</u>	<u>112,445</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>3,982,228</u>	<u>3,690,531</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 4,346,988</u>	<u>\$ 4,201,710</u>

INSURANCE REGULATORY TRUST FUND

State Investment Board Profit and Loss Statement For the Month Ended 6/30/2007

	Month Ended <u>6-30-07</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 12,767	\$ 101,089
SECURITIES LENDING INCOME	<u>1,806</u>	<u>14,277</u>
	14,573	115,366
 GAIN ON SALE OF INVESTMENTS	 53,101	 205,509
LOSS ON SALE OF INVESTMENTS	<u>28,782</u>	<u>123,710</u>
 NET GAINS (LOSSES) INVESTMENTS	 24,319	 81,799
 INVESTMENT EXPENSES	 839	 4,640
SECURITIES LENDING EXPENSES	1,672	13,738
 NET INVESTMENT INCOME	 36,381	 178,787
 NET APPREC (DEPREC) MARKET VALUE	 (51,235)	 63,768
MISCELLANEOUS INCOME/(EXPENSE)	<u>(4)</u>	<u>142</u>
 TOTAL INVESTMENT INCOME	 <u>(14,858)</u>	 <u>242,697</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	225	1,000
 NET INCREASE (DECREASE)	 <u>\$ (15,083)</u>	 <u>\$ 241,697</u>

INSURANCE REGULATORY TRUST FUND

State Investment Board SUPPLEMENTARY INFORMATION As of 6/30/2007

	As of <u>6/30/07</u>
ASSETS:	
INVESTMENTS (AT COST)	
LARGE CAP EQUITY	577,350
SMALL CAP EQUITY	<u>205,221</u>
TOTAL DOMESTIC EQUITIES	782,571
INTERNATIONAL EQUITY	415,678
FIXED INCOME	1,335,490
INVESTED CASH (NOTE 1)	<u>1,405,192</u>
TOTAL INVESTMENTS (AT COST)	<u><u>\$3,938,930</u></u>

INSURANCE REGULATORY TRUST FUND
Notes To Financial Statements
June 30, 2007

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.